

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2017-381-A**

In Re:

Office of Regulatory Staff's Petition for an)
Order Requiring Utilities to Report the Impact)
Of the Tax Cuts and Jobs Act)
_____)

COMMENTS OF PALMETTO UTILITIES, INC.

In Order No. 2018-26, the Commission grants the petition filed by the Office of Regulatory Staff ("ORS") that all jurisdictional utilities report the impact of recent changes to federal tax law on their operations. The Commission has directed that comments be filed by these utilities regarding the timing and format of the reports. Although ORS's petition states that Palmetto Utilities, Inc. ("Palmetto") should not be included in the proceeding arising in this docket because of the pendency of Palmetto's rate application in Docket No. 2017-228-S, Palmetto submits the within comments in order to protect its position in that docket.

The federal Tax Cuts and Jobs Act, Public Law 115-97 (the "Act") was only signed into law on December 22, 2017. This law substantially changes the Internal Revenue Code and Palmetto is informed and believes that the Internal Revenue Service has not yet issued regulations to implement the same. Further, Palmetto will need time to consult with its outside accountants and auditors in order to gain an appreciation for the potential impact of the Act. Accordingly, Palmetto will need until May 31, 2018, to fully understand, evaluate, and report the impact of the Act on its taxes.

With respect to the format of a report, Palmetto submits that it would be appropriate to submit a financial statement which reflects (1) 2017 revenues and expenses (including income taxes), (2) adjusted 2017 revenues and expenses taking into account the impact of the Act, and (3) any additional information which will inform the Commission regarding the overall impact of the Act on Palmetto's financial status.

Palmetto reserves the right to make supplemental or additional comments as might be necessary to protect its rights in this docket or in Docket No. 2017-228-S with respect to the subject matter hereof.

Respectfully submitted,

s/Benjamin P. Mustian
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This 24th day of January, 2018

Columbia, South Carolina